

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY
327 N WENATCHEE AVENUE
WENATCHEE WA 98801**

REGULAR COMMISSION MEETING

JANUARY 21, 2019

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety Minute – Jay Fintz
2. Approval of the Agenda
Any item on the Consent Agenda shall be subject to transfer to the Regular Agenda upon request of any Commission member
3. CPO Winner Recognition
4. Schedule 4 Overview
5. Quarterly Board Balanced Scorecard Update
6. Lake Chelan South Shore Electrical Update
7. Regulation and Policy Change Recommendations

BUSINESS SESSION

1:00 PM

Consent Agenda

8. Minutes of the January 7, 2019 Regular Meeting
9. Vouchers: Accounts Payable Summary Report dated January 16, 2019:
 - a. Vouchers totaling \$22,144,982.14;
 - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period January 2, 2019 through January 15, 2019 in the amount of \$13,663.76;

REGULAR COMMISSION MEETING AGENDA

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- c. Approval of the net Payroll, Warrant Nos. 236332 through 236354 and Advice Nos. 666680 through 667418 for the pay period ending 01/06/2019 in the amount of \$1,922,601.57;
 - d. Approval of Warrant Nos. 25213 through 25256 totaling \$5,289.08 for claim payments from the workers' compensation self-insurance fund for the period ending January 14, 2019.
10. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 AND 2, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 16-75 WITH KEMP WEST, INC. OF SNOHOMISH WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE
11. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1 AND 2, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-34 WITH CENTRAL WASHINGTON ASPHALT, INC. OF MOSES LAKE, WASHINGTON AND AUTHORIZING PAYMENT OF RETAINAGE

Regular Agenda

12. A RESOLUTION DECLARING MUHR OF BRANNENBURG, GERMANY AS THE SOLE SOURCE SUPPLIER OF TRASH RACK CLEANER HEAD (HYDRAULIC CYLINDERS INCLUDED) AND MODIFIED HYDRAULIC HOSE DRUM FOR ROCK ISLAND POWERHOUSE 2 TRASH RACK CLEANING MACHINE
13. A RESOLUTION REJECTING THE BID OF ANIXTER, INC., SCHEDULE "B," AND ACCEPTING THE BID OF WESCO DISTRIBUTION, SCHEDULES A, B AND C, OF PORTLAND, OREGON (BID 18-77) FOR THE SUPPLY OF DISTRIBUTION CABLE AND CONDUCTOR
14. A RESOLUTION APPROVING BIDDING DOCUMENTS FOR ROCK ISLAND POWERHOUSE 2 BRIDGE AND GANTRY CRANES REFURBISHMENT (BID NO. 18-81) AND AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO PUBLISH NOTICE INVITING SEALED PROPOSALS FOR SAID PROJECT
15. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A TASK AUTHORIZATION SERVICES AGREEMENT (SA NO. 18-167) WITH EUREKA! ENGINEERING OF SILVERLAKE, WASHINGTON FOR CRANE AND HOIST CONSULTING SERVICES
16. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 2-05, 2-06, 2-07, 2-08, 2-09, 2-10, 2-11, 2-12, AND APPROVING EXECUTION OF FIELD WORK ORDER/CHANGE ORDER NOS. 3-01 AND 4-01, FOR THE SECOND THROUGH FOURTH UNITS UNDER CONTRACT NO. 14-22 WITH VOITH HYDRO, INC. OF YORK, PA FOR ROCKY REACH UNITS C-8 THROUGH C-11 TURBINE REPAIRS
17. Manager Items

18. Commission Items

- a. Strategic Planning Kickoff Meeting – Proposed Motion
Move to set a special meeting February 7, 2019, at 12:30pm at the Wenatchee Convention Center, 121 N Wenatchee Ave, Wenatchee, for the purpose of the Strategic Planning Kickoff meeting
- b. May Meeting Schedule Revision - Proposed Motion:
Move to reschedule the May regular Board meetings as follows:
 - Reschedule the Monday, May 6, 2019 regular Board meeting to Monday, April 29, 2019, to begin at 10:00am in the headquarters Board Room
 - Reschedule the Monday, May 20, 2019 regular Board meeting to Monday, May 13, 2019, to begin at 10:00am in the headquarters Board Room

19. Follow-up on Delegation of Action Items from Previous Board Meeting

20. Delegation of Action Items

21. Additional Public Comment

Members of the public are encouraged to ask specific questions after each item presented. This agenda item is for additional comments/questions related to matters not on the agenda.

22. Matters of general business as may necessarily come before the Commission

23. Executive Session: To discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i)

This agenda and resolutions (if any) may be revised by the Commission as appropriate.

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 AND 2, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 16-75 WITH KEMP WEST, INC. OF SNOHOMISH WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 08-13325 delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less. Authority was also granted to the General Manager and the staff to execute field work orders under certain circumstances.

On December 23, 2016, the District entered into a contract (Bid No. 16-75) with Kemp West, Inc. (Contractor) of Snohomish, Washington for 2017 District Tree Trimming. The Contractor's Bid price was \$869,484 using estimated quantities provided by the District. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

The work in Field Work Order/Change Order Nos. 1 and 2 consists of conditions and work not anticipated or included in the original contract but within the scope of the contract. The District's staff has executed Field Work Order/Change Order No. 1 and 2, which are on file in the offices of the District and summarized as follows:

Field Work Order/Change Order No.	Description	Amount
1	Increased the not to exceed amount.	\$357,400
2	Increased the not to exceed amount.	\$80,000
	Total	\$437,400

Field Work Order/Change Order Nos. 1 and 2 results in a net increase in the contract price for a new revised total price of \$1,306,884 (excluding sales tax), which the District's Engineers recommend be ratified. Resolution No. 17-14215 provides that this type of field work order shall be presented to the Commission for approval as part of the final acceptance resolution.

District staff has determined that the completion of all contract work occurred on June 8, 2018. In accordance with the terms of the contract, the Contractor has provided a bond in lieu of retainage equal to 5% of the contract price.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor, ratify Field Work Order/Change Order Nos. 1 and 2 and authorize the release of the related bond in lieu of retainage, subject to the requirements of the contract and state law.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Field Work Order/Change Order Nos. 1 and 2 to Bid No. 16-75 with Kemp West, Inc. for the work specified above, which will result in a net increase in the purchase price of \$437,400, for a total revised contract price of \$1,306,884, plus Washington State sales tax, is hereby ratified.

Section 2. All the contract work required under Bid No. 16-75 was completed on June 8, 2018 and the same is hereby accepted, subject to Section 3 hereof. Release of the Contractor's bond in lieu of retainage is authorized subject to Section 3 and Section 4 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 3. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 4. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public Works Contracts, and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works Contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to release the bond in lieu of retainage. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to file a claim against the bond in lieu of retainage in an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and following payment of such claim, release the bond in lieu of retainage.

DATED this 21st day of January 2019.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1 AND 2, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 17-34 WITH CENTRAL WASHINGTON ASPHALT, INC. OF MOSES LAKE, WASHINGTON AND AUTHORIZING PAYMENT OF RETAINAGE

FACTUAL BACKGROUND AND REASONS FOR ACTION

The District Commission by Resolution No. 17-14215 delegated authority to the General Manager to advertise, award and execute contracts when the total contract price is \$3,000,000 or less. Authority was also granted to the General Manager and the staff to execute field work orders under certain circumstances.

On August 25, 2017, the District entered into a contract (Bid No. 17-34) with Central Washington Asphalt, Inc. (Contractor) of Moses Lake, Washington for Old Mill Phase 2 and Kirby Billingsley Boat Launch Parking Lot Replacements project, in the amount of \$420,121.90. This contract was advertised for public bid and was awarded as required by RCW 54.04.070 and .080.

The work in Field Work Order Nos. 1 and 2 consists of conditions and work not anticipated or included in the original contract but within the scope of the contract. The District's staff has executed Field Work Order Nos. 1 and 2, which are on file in the offices of the District and summarized as follows:

Field Work Order No.	Amount
1 – Additional Top Course	\$ 5,959.18
2 – Additional Site Work and Term Extension	\$33,708.35
Total	\$39,667.53

Field Work Order Nos. 1 and 2 result in a net increase in the contract price of \$39,667.53 for a new revised total price of \$459,789.43 (excluding sales tax), which the District's Engineers recommend be ratified. Resolution No. 17-14215 provides that this type of field work order shall be presented to the Commission for approval as part of the final acceptance resolution.

District staff has determined that the completion of all contract work occurred on December 7, 2018. In accordance with the terms of the contract, retainage in an amount not exceeding 5% of the contract price has been withheld from the Contractor.

The General Manager of the District concurs with staff's recommendations that the District accept the work performed by the Contractor, ratify Field Work

Order Nos. 1 and 2 and authorize the payment of retainage due the Contractor, subject to the requirements of the contract and state law.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Field Work Order Nos. 1 and 2 to Bid No. 17-34 with Central Washington Asphalt, Inc. for the work specified above, which will result in a net increase in the purchase price of \$39,667.53, for a total revised contract price of \$459,789.43, plus Washington State sales tax, are hereby ratified.

Section 2. All the contract work required under Bid No. 17-34 was completed on December 7, 2018 and the same is hereby accepted, subject to Section 3 hereof. Payment of retainage to the Contractor in the amount determined by the District's auditor to be due is authorized to be paid to the Contractor subject to Section 3 and Section 4 hereof, and subject to the provisions and limitations of Chapter 39.12 RCW (Prevailing Wages on Public Works) and 60.28 (Liens for Labor, Materials and Taxes on Public Works).

Section 3. This resolution shall not constitute an acceptance by the District of any work performed or goods supplied pursuant to the aforementioned contract, which are not in strict compliance with the contract terms and conditions.

Section 4. After the expiration of the forty-five (45) day period for giving the District notice of lien and after receipt of the Department of Revenue's certification of the Contractor's payment of taxes, the Employment Security Department's Certificate of Payment of Contributions, Penalties and Interest on Public works Contracts and the Department of Labor & Industries' Certificate of Release of the State's Lien on Public Works contracts and the District being satisfied that taxes certified as due or to become due are discharged and the filed claims of materialmen and laborers, if any, together with a sum sufficient to pay costs of foreclosing the liens and attorney's fees, have been paid, the District's General Manager is authorized and directed to withhold from the remaining retained amounts for claims the District may have against the Contractor, and the balance shall be paid to the Contractor. In the event said taxes, claims, expenses and fees have not been paid, the General Manager is authorized and directed to withhold an amount equal to unpaid taxes and unpaid claims, together with a sum sufficient to defray the costs and attorney fees incurred in foreclosing the lien of such claims, and the balance shall be paid to the Contractor.

DATED this 21 day of January 2019.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION DECLARING MUHR OF BRANNENBURG, GERMANY AS THE SOLE SOURCE SUPPLIER OF TRASH RACK CLEANER HEAD (HYDRAULIC CYLINDERS INCLUDED) AND MODIFIED HYDRAULIC HOSE DRUM FOR ROCK ISLAND POWERHOUSE 2 TRASH RACK CLEANING MACHINE

FACTUAL BACKGROUND AND REASONS FOR ACTION

In April 2018, the District had a project to replace the hydraulic hoses and perform preventative maintenance and inspections on the District's Trash Rack Cleaning Machine (TRCM M-5000) located at Rock Island on the Powerhouse 2 intake deck. During this inspection it was discovered that the Trash Rack Cleaner Head was cracked and deformed beyond feasible repair. It was also determined that one of the hose drums located on the top of the rake boom was worn out. It was decided by Rock Island Maintenance team to "Red Tag" the TRCM M-5000 until the parts could be purchased and repairs made.

In 2006 the District purchased the TRCM M-5000 manufactured by Muhr in Brannenburg, Germany. Muhr is the original equipment manufacturer for this piece of equipment and has the design, expertise and ability to build the replacement parts for our TRCM M-5000.

Pursuant to RCW 54.04.070 and 39.04.280, the District may, when there is clearly and legitimately a sole source of supply, waive the statutory competitive bidding requirements otherwise applicable to the purchase of equipment. Resolution No. 17-14215 requires that a declaration for sole source purchases over the statutory limits (\$60,000 per month) must come before the Commission for action.

District staff has determined that it would be in the best interest of the District to designate Muhr as the sole source supplier for Trash Rack Cleaner Head (Hydraulic Cylinders included) and Modified Hydraulic Hose Drum in an amount not to exceed \$90,555, excluding customs clearance charges (i.e. customs broker clearance fees, duty, customs fees, taxes) and transportation insurance fees. Staff also recommends that the competitive bidding requirements of RCW 54.04.070 be waived.

The General Manager has reviewed staff's recommendations and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. The Commission declares Muhr to be the sole source supplier for Trash Rack Cleaner Head (Hydraulic Cylinders included) and Modified Hydraulic Hose Drum.

Section 2. The competitive bidding requirements of RCW 54.04.070 are hereby waived due to the designation of Muhr as the sole source supplier for Trash Rack Cleaner Head (Hydraulic Cylinders included) and Modified Hydraulic Hose Drum.

Section 3. The General Manager or his designee is authorized to enter into a purchase contract with Muhr for the purchase of Trash Rack Cleaner Head (Hydraulic Cylinders included) and Modified Hydraulic Hose Drum at a cost not to exceed USD \$90,555, excluding customs clearance charges (i.e. customs broker clearance fees, duty, customs fees, taxes) and transportation insurance fees, without prior Commission approval. A copy of the contract will be on file in the offices of the District.

Dated this 21st day of January 2019.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION REJECTING THE BID OF ANIXTER, INC., SCHEDULE "B," AND ACCEPTING THE BID OF WESCO DISTRIBUTION, SCHEDULES A, B AND C, OF PORTLAND, OREGON (BID 18-77) FOR THE SUPPLY OF DISTRIBUTION CABLE AND CONDUCTOR

FACTUAL BACKGROUND AND REASONS FOR ACTION

On December 18, 2018, an invitation for sealed bids was published in accordance with RCW 54.04.070 and Resolution No. 17-14215 to provide The supply of distribution cable and conductor. Bid proposals were opened on December 18, 2018, at 2:30, a.m. in the offices of the District. Three bids were received (excluding sales tax) as tabulated on Exhibit A attached.

The bid by Anixter, Inc. who received the low bid for Schedule B, did not meet the minimum requirements specified in the contract documents. Anixter, Inc. did not submit the required Bidder's Data as required by the Contract Documents for evaluation purposes by District engineers. This bid should be rejected as non-responsive.

District staff has determined that the bid of Wesco Distribution, Schedule B, of Portland, Oregon in the amount of \$107,521.20 (excluding sales tax) is the lowest responsive and best bid in compliance with the plans and specifications for Bid No. 18-77. This bid meets all statutory requirements. Resolution No. 17-14215 requires that the rejection of the apparent low dollar bidder must come before the Commission for action.

District staff recommends awarding Schedules A, B and C for Bid No. 18-77, to Wesco Distribution.

The General Manager of the District concurs with District staff's recommendation.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. The bid submitted by Anixter, Inc. of Portland, Oregon did not meet the minimum requirements specified in the contract documents and is hereby rejected.

Section 2. The bid submitted by Wesco Distribution of Portland, Oregon is the lowest responsible and best bid in compliance with the plans and specifications to provide the Supply Distribution Cable and Conductor. The General Manager of the District is hereby authorized to enter into a contract with Wesco Distribution, for Schedules A, B and C for a total amount of \$340,902.66, excluding sales tax. A copy of the contract will be on file in the offices of the District

Dated this 21st day of January 2019.

	_____ President
ATTEST:	
_____ Vice President	_____ Secretary
_____ Commissioner	_____ Commissioner
Seal	

RESOLUTION NO. _____

A RESOLUTION APPROVING BIDDING DOCUMENTS FOR ROCK ISLAND POWERHOUSE 2 BRIDGE AND GANTRY CRANES REFURBISHMENT (BID NO. 18-81) AND AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO PUBLISH NOTICE INVITING SEALED PROPOSALS FOR SAID PROJECT

FACTUAL BACKGROUND AND REASONS FOR ACTION

District staff completed a condition assessment of the powerhouse cranes at the Rock Island Hydroelectric Project in 2013 and determined that the Rock Island Powerhouse 2 cranes have significantly reduced reliability, are in need of repairs, and require upgrades to major electrical and mechanical components. A business case analysis and further design review of evaluated alternatives for repair of the crane system was completed in 2018 and that study recommends refurbishment of the existing bridge and gantry crane structures and installation of completely new trolley hoisting units on each crane.

Resolution No. 17-14215 requires Commission approval of bids and Authorization to invite bids that are estimated to exceed \$3,000,000. Bidding documents for Bid No. 18-81, including specifications are being prepared by the District and once complete will be on file in the offices of the District.

District staff recommends that Bid No. 18-81 is in the best interests of the District and that said documents be approved and that the invitation for bid be published.

The General Manager of the District has reviewed District staff's recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The bidding documents (Bid No. 18-81) for the Rock Island Powerhouse 2 Bridge and Gantry Cranes Refurbishment are hereby approved and the General Manager of the District is hereby authorized to invite sealed proposals for furnishing said material.

DATED this 21st day of January 2019.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A TASK AUTHORIZATION SERVICES AGREEMENT (SA NO. 18-167) WITH EUREKA! ENGINEERING OF SILVERLAKE, WASHINGTON FOR CRANE AND HOIST CONSULTING SERVICES

FACTUAL BACKGROUND AND REASONS FOR ACTION

Resolution No. 13-13837, dated December 2, 2013, authorized a Services agreement (SA-TA No. 13-173) with Eureka! Engineering to provide crane consulting services in an amount not to exceed \$650,000 over a five year period. Resolution No. 16-14060, dated August 1, 2016, amended the original agreement, increasing the not to exceed amount to \$1,500,000 and extending the term of agreement to 2020.

District staff has identified the need for additional engineering expertise related to crane and gate hoist design, manufacturing, inspection, testing, and troubleshooting work that will extend beyond the current limits authorized. Resolution No. 17-14215 requires that the Commission, by resolution, authorize Service Agreements that exceed \$200,000.

In compliance with RCW 39.80.010 and the District's Procedures and Guidelines for Procurement of Architectural and Engineering services, The District has formed a Selection Committee which has reviewed and evaluated the qualifications and capabilities of certain firms possessing the availability, expertise and experience required for the subject work.

District staff has determined that Eureka! Engineering is the best qualified firm to provide the required services and that the costs proposed for the services is a fair and reasonable price. The total costs for the services to be provided by Eureka! Engineering shall not exceed \$1,150,000.

It is District staff's recommendation that it is in the best interest of the District to enter into a Services Agreement with Eureka! Engineering for the above-described services. Services shall be provided when and as requested by the District, according to written task orders which define the scope, budget and schedule for individual tasks. No work shall be undertaken by Eureka! Engineering without a written task order.

The General Manager of the District has reviewed staff's recommendation and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1. The General Manager of the District is hereby authorized to enter into a Services Agreement with Eureka! Engineering for services identified above in an amount not to exceed \$1,150,000 over a five year period without prior Commission approval. A copy of the Agreement is on file in the offices of the District.

DATED this 21st day of January 2019.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 2-05, 2-06, 2-07, 2-08, 2-09, 2-10, 2-11, 2-12, AND APPROVING EXECUTION OF FIELD WORK ORDER/CHANGE ORDER NOS. 3-01 AND 4-01, FOR THE SECOND THROUGH FOURTH UNITS UNDER CONTRACT NO. 14-22 WITH VOITH HYDRO, INC. OF YORK, PA FOR ROCKY REACH UNITS C-8 THROUGH C-11 TURBINE REPAIRS

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County (District) adopted Resolution No. 14-13899 on September 2, 2014 which authorized the District to enter into a sole source contract (No. 14-22) with Voith Hydro, Inc. (Contractor) of York, PA for Rocky Reach Units C-8 through C-11 Turbine Repairs, in the amount of \$21,777,239.00.

On May 15, 2017 the Commission by Resolution No. 17-14139 ratified Field Work Order/Change Orders 1-01 through 1-18, 2-01 through 2-03 and approved 2-04 totaling a reduction of \$1,168,107.10, which were executed under the delegation authority of Resolution No. 08-13325, which resulted in a revised total Contract Price of \$20,609,131.90.

On December 17, 2018 the Commission by Resolution 18-14294 ratified Field Work Order/Change Order 1-19 for a reduction of \$518,144.10, which resulted in a revised total Contract Price of \$20,090,987.80.

Field Work Order/Change Order No. 2-05 removed the machining of wicket gate lower bushing bores and bushing replacement for Units 2 through 4, revised the inspection requirements of the stay ring and allowed additional escalation cost reimbursement due to delays. Field Work Order/Change Order No. 2-05 reduced the total contract price by \$720,147.00. District staff has executed Field Work Order/Change Order No. 2-05 and it is on file in the offices of the District.

Field Work Order/Change Order No. 2-06 extended Contract Milestone Dates for Units 2 through 4 due to late completion of the Rocky Reach Powerhouse Bridge Cranes Rehab project which caused Contractor to incur additional cost for labor and material escalation, as well as additional project management costs. Field Work Order/Change Order No. 2-06 increased the total contract price by 379,321.05. District's staff has executed Field Work Order/Change Order No. 2-06 and it is on file in the offices of the District.

Field Work Order/Change Order No. 2-07 requested Contractor to investigate cracks on the Second Unit C-9 lower bracket and thrust pot, and to provide engineering recommendations for repair. Field Work Order/Change Order No. 2-07 increased the total contract price by \$4,800.00. District's staff has executed Field Work Order/Change Order No. 2-07 and it is on file in the offices of the District.

Field Work Order/Change Order No. 2-08 requested Contractor to perform additional engineering analysis to determine Kaplan blade deflections. Field Work/Change Order No. 2-08 increased the total contract price by \$51,000.00. District's staff has executed Field Work Order/Change Order No. 2-08 and it is on file in the offices of the District.

Field Work Order/Change Order No. 2-09 requested Contractor to perform repairs to blade and hub internals that were in addition to those specified in the Contract documents. Field Work Order/Change Order No. 2-09 increased the total contract price by \$42,675.00. District's staff has executed Field Work Order/Change Order No. 2-09 and it is on file in the offices of the District.

Field Work Order/Change Order No. 2-10 requested Contractor to perform additional repairs to the hub due to cavitation related to operating with fixed blades. Field Work Order/Change Order No. 2-10 increased the total contract price by \$126,908.00. District's staff has executed Field Work Order/Change Order No. 2-10 and it is on file in the offices of the District.

Field Work Order/Change Order No. 2-11 requested Contractor to replace one seal ring segment. Field Work Order/Change Order No. 2-11 increased the total contract by \$ 7,841.00. District's staff has executed Field Work Order/Change Order No. 2-11 and it is on file in the offices of the District

Field Work Order/Change Order No. 2-12 requested Contractor to come to site and collect operational data on C8 for purposes of evaluating an extended warranty. Field Work Order/Change Order No. 2-12 resulted in no change to the total contract price. District's staff has executed Field Work Order/Change Order No. 2-12 and it is on file in the offices of the District.

Additionally, District staff desires to execute Field Work Order/Change Order Nos. 3-01 and 4-01 which request Contractor to provide new conic coverings for C10 and C11 due to excessive cavitation from operating units with fixed Kaplan blades. Field Work Order/Change Order Nos. 3-01 and 4-01 will result in increases to the total contract in the amounts of \$150,120.00 and \$146,182.00 respectively.

FWO/CO No.	FWO/CO VALUE	UNIT	UNIT COST ALLOCATION	DESCRIPTION
2-05	- \$720,147	C9	- \$258,989.00	Deleting on site line boring of bottom ring bores for lower wicket gate stems.
		C10	- \$236,057.00	
		C11	- \$225,131.00	

2-06	\$379,321.05	C9	\$111,739.00	Extending the contract time due to bridge crane repairs.
		C10	\$125,222.00	
		C11	\$142,360.05	
2-07	\$4,800.00	C9	\$4,800.00	Lower bracket and thrust pot crack investigation.
2-08	\$51,000.00	C9	\$51,000.00	Kaplan blade deflection analysis.
2-09	\$42,675.00	C9	\$42,675.00	Blade and hub internal components repairs greater than specified in bid documents.
2-10	\$126,908.00	C9	\$126,908.00	Hub Repairs – cavitation due to fixed blade operation.
2-11	\$7,841	C9	\$7,841	Replace one seal ring segment.
2-12	\$0	C8	\$0	Operational testing for potential extended warranty.
3-01	\$150,120.00	C10	\$150,120.00	New conic covering.
4-01	\$146,182.00	C11	\$146,182.00	New conic covering.
Total			\$188,700.05	

Field Work Order Nos. 2-05 through 2-12, 3-01 and 4-01 result in a net increase of \$188,700.05 for a new revised total price of \$20,279,687.85.

The General Manager of the District concurs with staff's recommendations that FWO/CO Nos. 2-05 through 2-12 be ratified, and that FWO/CO Nos. 3-01 and 4-01 be approved.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. The Commission finds that Field Work Order/Change Order Nos. 2-05 through 2-12 were properly executed pursuant to the authority delegated by Resolution No. 17-14215 and said Field Work Order/Change Orders are hereby formally acknowledged and ratified.

Section 2. The General Manager of the District is hereby authorized to execute Field Work Order/Change Order Nos. 3-01 and 4-01. A copy of the Field Work Order/Change Orders shall be on file in the offices of the District.

DATED this 21st day of January 2019.

ATTEST:

President

Vice President

Secretary

Commissioner

Commissioner

Seal